



**OKLAHOMA TEACHERS**  

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**RETIREMENT SYSTEM**

**BOARD OF TRUSTEES**

**REGULARLY SCHEDULED**  
**MEETING**

**SEPTEMBER 26, 2012**

**MEETING MATERIALS**

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**TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**Trustee Education Meeting**  
**Tuesday, September 25, 2012 – 1:00 PM**  
**TRS Administration Board Room**  
**2500 N. Lincoln Blvd., 5<sup>th</sup> Floor, Oklahoma City, OK**

**AGENDA**

- 1. ROLL CALL**
- 2. DISCUSSION ON INSTITUTIONAL INVESTING**
  - A. Definition of Terms (alpha, beta, return, standard deviation, etc.)
  - B. Asset types and characteristics
  - C. Risk v. Return
  - D. Other Topics: Liquidity, Diversification, Transparency, Long-Run Focus, Fees, etc.
- 3. QUESTIONS AND COMMENTS FROM TRUSTEES**
- 4. ADJOURNMENT**

**TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**Regular Board Meeting**  
**Wednesday, September 26, 2012 – 9:00 AM**  
**TRS Administration Board Room**  
**2500 N. Lincoln Blvd., 5<sup>th</sup> Floor, Oklahoma City, OK**

**AGENDA**

- 1. ROLL CALL FOR QUORUM**
- 2. DISCUSSION AND POSSIBLE ACTION ON APPROVAL OF MINUTES FOR THE AUGUST 21-23, 2012 BOARD MEETING**
- 3. DISCUSSION AND POSSIBLE ACTION ON INVESTMENT CONSULTANT MONTHLY REPORT**
- 4. PRESENTATION BY INVESTMENT MANAGER(S):**
  - A. Hoisington Investment Management
  - B. Stephens Capital Management
  - C. PIMCO
- 5. DISCUSSION AND POSSIBLE ACTION ON MANAGER STATUS SUMMARY REPORT - *The Board of Trustees may elect to make any changes to the status of any manager based on the information available at the Board meeting***
- 6. DISCUSSION AND POSSIBLE ACTION ON INVESTMENT COMMITTEE REPORT**
- 7. DISCUSSION AND POSSIBLE ACTION ON AUDIT COMMITTEE REPORT**
- 8. DISCUSSION AND POSSIBLE ACTION ON REQUEST FROM RETIRED PROFESSIONAL OKLAHOMA EDUCATORS (RPOE)**
- 9. DISCUSSION AND POSSIBLE ACTION ON MISSION STATEMENT**
- 10. DISCUSSION AND POSSIBLE ACTION ON STRATEGIC PLANNING RETREAT FOLLOW-UP**
- 11. DISCUSSION AND POSSIBLE ACTION ON DATA MIGRATION**
- 12. DISCUSSION AND POSSIBLE ACTION ON EXECUTIVE DIRECTOR REPORT**
  - A. Client Status Update
  - B. Performance Metrics
  - C. Review of Annual Plan
  - D. Other Items for Discussion
- 13. QUESTIONS AND COMMENTS FROM TRUSTEES**
- 14. NEW BUSINESS**
- 15. ADJOURNMENT**

**MEETING MINUTES  
AUGUST 21-23, 2012  
BOARD OF TRUSTEES  
TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**

The regularly scheduled meeting of the Board of Trustees of the Teachers' Retirement System of Oklahoma was called to order by Gary Trennepohl, Chairman, at 12:10 P.M., in the Aspen Room of Post Oak Lodge, 5323 W. 31<sup>st</sup> Street N, Tulsa, OK. The meeting notice and agenda was posted in accordance with 25 O.S. Section 311(A)(11).

**TRUSTEES PRESENT:**

Gary Trennepohl, *Chairman\**  
James Dickson, *Vice Chairman\**  
Bruce DeMuth, *Secretary*  
Vernon Florence\*  
Roger Gaddis  
Jill Geiger

Beth Kerr\*  
Stewart Meyers, Jr.  
William Peacher  
Michael Simpson  
Jonathan Small\*  
Billie Stephenson

**TRUSTEES ABSENT:**

Sherrie Barnes

**TRS STAFF PRESENT:**

James R. Wilbanks, *Executive Director*  
Grant Soderberg, *Investment Associate*

Becky Wilson, *Executive Assistant*  
Josh Richardson, *Internal Auditor*

**LEGAL COUNSEL PRESENT:**

Regina Switzer, *Assistant Attorney General*

**INVESTMENT CONSULTANT PRESENT:**

Greg Weaver, *Gregory W. Group*  
Tony Kay, *Gregory W. Group*

Douglas J. Anderson, *Gregory W. Group*

**OTHERS PRESENT:**

Norman Cooper, *OK Retired Educators Assoc.*  
Gene Hopper

Roy Cates, *OK Retired Educators Assoc.*

*\*Denotes either late arrival or early departure*

**August 21, 2012**

**ITEM 1 - ROLL CALL FOR QUORUM:** Chairman Trennepohl called the Board meeting to order and asked for a poll to determine if a quorum was present. Trustees responding were as follows: Mr. DeMuth; Mr. Dickson; Mr. Florence; Mr. Gaddis; Ms. Geiger; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Simpson; Ms. Stephenson; and Chairman Trennepohl.

*A break for lunch was taken from 12:15 p.m. to 1:05 p.m.*

**ITEM 2 – DEVELOPMENT OF OTRS STRATEGIC PLAN:** After a short introduction by Dr. Wilbanks, training was conducted by Ms. Gene Hopper. Dr. Wilbanks also gave an overview of TRS and Chairman Trennepohl discussed the roles and responsibilities of the Board. No action was necessary.

*A break was taken from 3:30 p.m. to 3:43 p.m.*

**ITEM 3 – ETHICS AND FIDUCIARY RESPONSIBILITY:** Regina Switzer, Assistant Attorney General and legal counsel to the Board, gave a presentation on ethics and fiduciary responsibility. No action was necessary.

*At 5:54 p.m., Chairman Trennepohl recessed the meeting until  
8:30 a.m. on Wednesday, August 22, 2012*

**August 22, 2012**

*Chairman Trennepohl reconvened the meeting at 8:37 a.m.*

**ITEM 4 – DEVELOPMENT OF OTRS STRATEGIC PLAN:** Dr. Wilbanks gave a review of the annual plan as well as the mission statement. Training was then conducted by Gene Hopper. No action was necessary.

*A break was taken from 10:45 a.m. to 11:00 a.m.*

*A break for lunch was taken from 12:25 p.m. to 1:05 p.m.*

*A break was taken from 2:12 p.m. to 2:28 p.m.*

*At 3:37 p.m., Vice Chairman Dickson recessed the meeting until  
8:30 a.m. on Thursday, August 23, 2012*

**August 23, 2012**

*Chairman Trennepohl reconvened the meeting at 8:40 a.m.*

**ITEM 5 - MEETING MINUTES:** A motion was made by Dr. Simpson with a second made by Mr. DeMuth to approve the June 27, 2012 meeting minutes as presented. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl. A motion was also made by Dr. Simpson with a second made by Mr. Small to approve the July 18, 2012 meeting minutes as presented. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Ms. Kerr; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

**ITEM 7 – INVESTMENT CONSULTANT MONTHLY REPORT:** Greg Weaver and Douglas Anderson of Gregory W. Group, Investment Consultants to the Board, gave the Board their monthly report. No action was necessary.

**ITEM 6 – PRESENTATIONS BY INVESTMENT MANAGERS:** AEW Capital Management, Heitman Real Estate and L&B Realty Advisors, all Real Estate Investment Managers, were present to give respective presentations to the Board.

**ITEM 8 – MANAGER STATUS SUMMARY REPORT:** Greg Weaver and Douglas Anderson of Gregory W. Group, Investment Consultants to the Board, gave the Board the Manager Status Summary Report. No action was necessary.

**ITEM 9 – INVESTMENT CONSULTANT QUARTERLY REPORT:** Greg Weaver and Douglas Anderson of Gregory W. Group, Investment Consultants to the Board, gave the Board their quarterly report. No action was necessary.

**ITEM 10 – INVESTMENT CONSULTANT QUARTERLY 403(B) REPORT:** Greg Weaver and Douglas Anderson of Gregory W. Group, Investment Consultants to the Board, gave the Board their 403(b) quarterly report. No action was necessary.

**ITEM 14 – OKLAHOMA RETIRED EDUCATORS ASSOCIATION (OREA) REQUEST:** After discussion, a motion was made by Mr. DeMuth with a second made by Dr. Simpson to approve the request for mailing from OREA. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

*A break for lunch was taken from 12:17 p.m. to 12:57 p.m.*

**ITEM 11 – INVESTMENT COMMITTEE REPORT:** Dr. Trennepohl, a member of the Investment Committee, gave the Investment Committee report. A motion was brought from the Investment Committee recommending the release of RFPs for Small Cap Core, Small Cap Growth and Small Cap Value. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

The Investment Committee also brought a motion that the Board approve the recommended changes to the Investment Policy Statement. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

The Investment Committee also brought a motion that the Board place Wellington Mid-Cap on alert status until December 2012. The recommendation carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

**ITEM 12 – EXECUTIVE SESSION REGARDING PURCHASE OR APPRAISAL OF REAL PROPERTY FOR INVESTMENT PURPOSES:**

- A. A motion was made by Dr. Simpson with a second made by Mr. Small to resolve into Executive Session at 1:11 p.m. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.
- B. A motion was made by Mr. DeMuth with a second made by Mr. Small to return to Open Session at 1:53 p.m. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

**ITEM 13 – POSSIBLE ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:** No action was necessary.

**ITEM 15 – EMERGENCY RULE MAKING:** Dr. Wilbanks presented the Board with an Emergency Rule as a result of the 2012 Permanent Rule changes effective August 1, 2012. After discussion, a motion was made by Mr. Meyers with a second made by Mr. Small to approve the Emergency Rule. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis;

Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

**ITEM 16 – MISSION STATEMENT:** Dr. Wilbanks presented the Board with the new mission statement. After discussion, a motion was made by Mr. DeMuth with a second made by Mr. Meyers to table the mission statement until the Executive Director speak with staff about changes. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

**ITEM 17 – EXECUTIVE DIRECTOR REPORT:** Dr. Wilbanks gave his report to the Board. A motion was made by Mr. DeMuth with a second made by Ms. Geiger to approve the Executive Director Report. The motion carried by a unanimous voice vote. Trustees responding were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

**ITEM 18 – QUESTIONS AND COMMENTS FROM TRUSTEES:** There were no questions or comments from the Trustees.

**ITEM 19 – NEW BUSINESS:** There was no further business from the Board.

**ITEM 20 – ADJOURNMENT:** There being no further business, a motion was made by Dr. Simpson with a second made by Ms. Geiger to adjourn. The meeting was adjourned at 2:15 p.m. Trustees present at adjournment were Mr. DeMuth; Mr. Florence; Mr. Gaddis; Ms. Geiger; Mr. Meyers; Mr. Meyers; Mr. Peacher; Dr. Simpson; Mr. Small; Ms. Stephenson; and Chairman Trennepohl.

**BOARD OF TRUSTEES, TEACHERS’ RETIREMENT SYSTEM OF OKLAHOMA**

**BY:** \_\_\_\_\_  
**Gary Trennepohl, Chairman**

**ATTEST:**

**BY:** \_\_\_\_\_  
**Bruce DeMuth, Secretary**

Certified correct minutes, subject to approval of the Board of Trustees of the Teachers’ Retirement System of Oklahoma, will be available at its next regularly scheduled meeting on September 26, 2012.

**BY:** \_\_\_\_\_  
**Becky Wilson, Executive Assistant to the Executive Director**

# August 2012 - Market Environment

Equities Higher, Bonds Slightly Lower



## Equity Total Returns

Index	Last Month	Last Year	Last 3 Years	Last 5 Years
Dow Jones Industrial Average	1.0	15.9	14.3	2.4
NASDAQ (prc chg only)	4.3	18.9	15.1	3.4
S&P 500 cap weighted	2.3	2.3	13.6	1.3
S&P 500 equal weighted	3.0	14.2	15.1	3.2
S&P Mid Cap	3.5	12.8	15.7	4.0
S&P Small Cap	3.8	16.9	16.2	3.1
S&P REIT	0.1	20.4	23.9	3.2
Russell 1000 Growth	2.7	17.4	15.6	3.7
Russell 1000 Value	2.2	17.3	12.1	-0.9
Russell Mid Cap Growth	3.4	11.7	16.1	2.9
Russell Mid Cap Value	2.9	14.8	15.1	1.8
Russell 2000 Growth	3.6	12.7	15.5	2.9
Russell 2000 Value	3.1	14.1	12.2	0.7
Russell Top 200		19.0	13.1	1.1
Russell 1000	2.4	17.3	13.8	1.5
Russell Mid Cap	3.2	13.3	15.6	2.5
Russell 2500	3.6	13.8	15.2	2.8
Russell 2000	3.3	13.4	13.9	1.9
MSCI World Ex US	2.9	-0.2	3.4	-3.9
MSCI World Ex US Growth	2.3	-1.1	5.2	-3.0
MSCI World Ex US Value	3.5	0.8	1.5	-4.8
MSCI EAFE	2.7	0.5	2.9	-4.3
MSCI Emerging Markets	-0.3	-5.5	7.0	-0.1

## Bond Total Returns

Index	Last Month	Last Year	Last 3 Years	Last 5 Years
BC T-Bills	0.0	0.1	0.1	0.7
BC Long Treasury	-1.1	19.1	13.5	11.6
BC US Agg	0.1	5.8	6.5	6.7

- Equity investors enjoyed solid gains during August as global economic concerns faded for a time.
- Fixed income markets had modest results as interest rates moved slightly higher.
- Small caps and mid caps outperformed large caps during August. Growth outperformed value across all market capitalization segments.
- Performance dispersion was narrow and share trading volumes were very low.
- Developed international equity markets enjoyed gains while emerging markets moved slightly lower.
- Fixed income returns were modest during August. Core bonds posted a very small return while long Treasury bonds ended the month lower.
- Short term fixed income and cash returns remained negligible.

# Monthly Change in Market Value



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Beginning of Month Market Value	<b>\$10,282,649,187</b>
Net Cash Flow	-\$57,236,258
Change in Investment Value	\$143,614,579
Ending of Month Market Value	<b>\$ 10,369,027,508</b>

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<b>Monthly Gross of Fees Rate of Return:</b>	<b>2.09%</b>
<b>Monthly Net of Fees Rate of Return:</b>	<b>2.06%</b>

Notes:

Net cash flows were negative during the month. Investment results were positive for the month. Positive results were driven by the allocation to equity, particularly small and mid cap stocks as they posted strong gains.

# Manager Profile - Hoisington Investment Management



Asset Class:	Active Duration Fixed Income
Status:	In Compliance
Portfolio Size:	\$305,231,652
Inception Date:	11/1/2004
Initial Funding:	\$100,887,144
Subsequent Funding:	-\$19,686,887
Annual Management Fee:	0.15
Location:	Austin, Texas
Structure:	Privately Held
Portfolio Management Team:	Van Hoisington Dr. Lacy Hunt Janice Bright David Hoisington Van Hoisington, Jr. John Dahlheim
Represented by:	Janice Bright
Stephens Active Duration	David Hoisington

## Notes:

Hoisington employs a unique investment process to manage active duration bond portfolios. The firm invests only in U.S. Treasury issues. Their investment process focuses completely on managing portfolio duration to maximize total return. The portfolio's returns can be extremely volatile. The portfolio's returns have shown negative correlation to equities and equity market volatility.

The firm has provided exceptionally strong results since inception. Performance could be subdued in the future should interest rates rise.

Hoisington is a stable organization. The firm was founded in 1981 and currently has approximately \$5 billion in client assets under management. There have been no major changes in the management team since the firm was hired.

Return Profile	Since Inception	Last 5 Years	Last 3 Years	Last Year	Last Quarter	Last Month
Hoisington Active Duration	10.9	13.5	16.0	26.3	0.8	-1.4
BC Aggregate Bond Index	5.5	6.7	5.8	1.4	1.5	0.1
BC Long Treasury Index	8.9	11.6	13.5	19.1	0.8	-1.1
91 Day T-bills	1.9	0.7	0.1	0.1	0.0	0.0

Risk Characteristics	3 Year Std Deviation	Sharpe Ratio	Duration	Credit Quality	Yield to Maturity	Number of Holdings
Hoisington	5.19	2.79	19.4	AA+	2.56	11
BC Aggregate Bond Index	2.71	2.31	4.4	A	-	7833
BC Long Treasury Index	12.89	1.04	16.2	AA+	-	-

# Manager Profile - Stephens Capital Management



Asset Class:	Active Duration Fixed Income
Status:	In Compliance
Portfolio Size:	\$291,426,522
Inception Date:	11/1/2004
Initial Funding:	\$95,467,787
Subsequent Funding:	\$115,279,019
Annual Management Fee:	0.16
Location:	Little Rock, Arkansas
Structure:	Privately Held
Portfolio Management Team:	William Tedford Alan Tedford
Represented by:	William Tedford Alan Tedford

## Notes:

Stephens Capital is an active duration manager that takes a more measured approach to adjusting portfolio duration. The portfolio invests primarily in Treasuries, but occasionally seeks exposure in corporate or high yield bonds when compelling valuations exist.

Given their mandate, the firm has provided adequate results since inception.

Stephens is a stable organization. There have been no significant changes within the portfolio management team since hiring.

Return Profile	Since Inception	Last 5 Years	Last 3 Years	Last Year	Last Quarter	Last Month
Stephens Active Duration	5.4	6.3	4.6	3.7	1.2	0.2
<i>BC Aggregate Bond Index</i>	5.5	6.7	5.8	1.4	1.5	0.1
<i>BC Long Treasury Index</i>	8.9	11.6	13.5	19.1	0.8	-1.1
<i>91 Day T-bills</i>	1.9	0.7	0.1	0.1	0.0	0.0

Risk Characteristics	3 Year Std Deviation	Sharpe Ratio	Duration	Credit Quality	Yield to Maturity	Number of Holdings
Stephens Capital	1.84	1.95	4.73	AA+	1.22	35
<i>BC Aggregate Bond Index</i>	2.71	2.31	4.4	A	-	7833
<i>BC Long Treasury Index</i>	12.89	1.04	16.2	AA+	-	-

# Manager Profile - PIMCO



Asset Class:	Opportunistic Fixed Income
Status:	In Compliance
Combined Portfolio Size:	\$305,231,652
Inception Date: (DMF 1)	5/1/2008
Inception Date: (DMF 2)	12/1/2008
Inception Date: (BRAVO)	3/31/2011
Initial Funding: (DMF 1)	\$75,000,000
Initial Funding: (DMF 2)	\$25,000,000
Initial Funding: (DMF BRAVO)	\$100,000,000
Annual Management Fee:	1.36% - 1.50%
Location:	Newport Beach, California
Structure:	Privately Held
Portfolio Management Team:	Dan Ivascyn Scott Simon
Represented by:	Jennifer Bridwell Rick Fulford

## Notes:

PIMCO has been hired to manage three opportunistic fixed income portfolios. The portfolios focus their investments in distressed and/or overlooked areas of the fixed income markets. The DMF fund (1 and 2), invest in pools of distressed mortgages. The BRAVO fund invests in debt and potentially equity instruments related to U.S. and foreign bank recapitalizations. All three funds are private equity style funds that were offered after the financial crisis of 2007-2009.

The funds have provided exceptional results since inception. DMF 2 has performed best. The BRAVO fund was funded over one year ago.

PIMCO is an extremely large and stable organization. These funds have had stable management teams since they were hired.

## Stephens Active Duration

Return Profile	Since Inception	Last 5 Years	Last 3 Years	Last Year	Last Quarter	Last Month
PIMCO DMF 1	8.6	-	32.4	6.9	2.4	-
PIMCO DMF 2	30.8	-	33.7	5.4	3.0	-
PIMCO BRAVO	13.8	-	-	16.0	5.6	-
BC Aggregate Bond Index		6.7	5.8	1.4	1.5	0.1
BC Long Treasury Index		11.6	13.5	19.1	0.8	-1.1
91 Day T-bills		0.7	0.1	0.1	0.0	0.0

Risk Characteristics	3 Year Std Deviation	Sharpe Ratio	Duration	Credit Quality	Yield to Maturity	Number of Holdings
PIMCO DMF 1	16.7	-	1.0	CCC+	18.1%	501
PIMCO DMF 2	12.9	-	0.8	CCC+	15.1%	825
PIMCO BRAVO	N/A	-	0.8	B-	N/A	199
BC Aggregate Bond Index	2.71	2.31	4.4	A	-	7833
BC Long Treasury Index	12.89	1.04	16.2	AA+	-	-

# Monthly Asset Allocation Review

Asset Class	Total Market Value	Current Percentage	Target Percentage	Difference	Notes
All Cap/Large Cap	2,232,543,985	21.5%	17.5%	4.0%	Excess allocation bound for Private Equity
Mid Cap	1,337,034,508	12.9%	12.5%	0.4%	
Small Cap	933,395,832	9.0%	10.0%	-1.0%	
<b>Total Domestic Equity</b>	<b>4,243,632,109</b>	<b>40.9%</b>	<b>40.0%</b>	<b>0.9%</b>	
Large Cap International Equity	1,142,217,799	11.0%	12.5%	-1.5%	
Small Cap International Equity	351,756,019	3.4%	2.5%	0.9%	
<b>Total International Equity</b>	<b>1,494,203,347</b>	<b>14.4%</b>	<b>15.0%</b>	<b>-0.6%</b>	
<b>Core Fixed Income</b>	<b>2,397,969,493</b>	<b>23.1%</b>	<b>25.0%</b>	<b>-1.9%</b>	
High Yield Bonds	579,920,643	5.6%	5.0%	0.6%	Capital calls have recently accelerated
MLPs	582,377,739	5.6%	5.0%	0.6%	
Private Equity	147,877,797	1.4%	5.0%	-3.6%	
Real Estate	479,543,807	4.6%	5.0%	-0.4%	
Opportunistic Assets	180,148,733	1.7%	0.0%	1.7%	
<b>Total Non-Core Assets</b>	<b>1,969,868,719</b>	<b>19.0%</b>	<b>20.0%</b>	<b>-1.0%</b>	
<b>Cash</b>	<b>4,011,625</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>Composite</b>	<b>10,369,027,508</b>	<b>100.0%</b>	<b>100.0%</b>		

# Total Fund + Asset Class Composite Summary

## As of August 31, 2012

	Market Value	Inception Date	Time Since Inception (Years)	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Last Quarter	Last Month
<b>Total Fund (Gross of Fees)</b>	<b>10,369,027,508</b>	<b>12/1/1991</b>	<b>20.8</b>	<b>9.1</b>	<b>8.5</b>	<b>3.7</b>	<b>11.5</b>	<b>11.7</b>	<b>3.3</b>	<b>5.8</b>	<b>2.1</b>
<b>Total Fund (Net of Fees)</b>				<b>8.8</b>	<b>8.2</b>	<b>3.4</b>	<b>11.2</b>	<b>11.4</b>	<b>3.1</b>	<b>5.7</b>	<b>2.1</b>
Allocation Index	100.0%			9.0	7.5	2.9	10.7	10.9	2.9	6.0	1.8
Actuarial Assumption				8.0	8.0	8.0	8.0	8.0	6.6	1.9	0.6
Total Domestic Equity	<b>4,243,632,109</b>	<b>4/1/1990</b>	<b>22.4</b>	10.0	<b>8.3</b>	<b>1.5</b>	<b>13.1</b>	<b>13.9</b>	<b>2.8</b>	<b>6.5</b>	<b>3.4</b>
S&P 500	40.9%			8.8	6.5	1.3	13.6	18.0	3.7	7.9	2.3
Total All Cap Equity	<b>636,848,477</b>	<b>9/1/2006</b>	<b>6.0</b>	3.5	-	<b>1.6</b>	<b>13.3</b>	<b>13.4</b>	<b>2.6</b>	<b>6.6</b>	<b>2.4</b>
Russell 3000	6.1%			3.6	-	1.5	13.8	17.0	3.5	7.6	2.5
Total Large Cap Active Equity	<b>725,488,253</b>	<b>1/1/1995</b>	<b>17.7</b>	9.2	<b>6.8</b>	<b>0.4</b>	<b>12.8</b>	<b>18.0</b>	<b>3.1</b>	<b>6.7</b>	<b>2.6</b>
S&P 500	7.0%			8.5	6.5	1.3	13.6	18.0	3.7	7.9	2.3
Total Mid Cap Equity	<b>1,337,034,508</b>	<b>11/1/1998</b>	<b>13.8</b>	8.5	<b>10.7</b>	<b>3.2</b>	<b>14.8</b>	<b>14.0</b>	<b>2.3</b>	<b>5.0</b>	<b>3.9</b>
Russell Mid Cap	12.9%			8.1	9.9	2.5	15.6	13.3	3.4	6.3	3.2
Total Small Cap Equity	<b>933,395,832</b>	<b>2/1/1998</b>	<b>14.6</b>	7.7	<b>9.3</b>	<b>0.7</b>	<b>11.0</b>	<b>7.4</b>	<b>3.2</b>	<b>7.8</b>	<b>5.3</b>
Russell 2000	9.0%			5.8	9.0	1.9	13.9	13.4	1.9	7.0	3.3
Total International Equity	<b>1,494,203,347</b>	<b>2/1/1998</b>	<b>14.6</b>	8.3	<b>7.8</b>	<b>-3.2</b>	<b>4.2</b>	<b>2.8</b>	<b>3.9</b>	<b>9.7</b>	<b>2.6</b>
MSCI ACWI ex-US	14.4%			-	8.7	-3.1	4.1	-1.4	3.6	9.7	2.1
Core Fixed Income (ex- High Yield)	<b>2,397,969,493</b>	<b>4/1/1990</b>	<b>22.4</b>	7.7	<b>7.1</b>	<b>9.4</b>		<b>11.2</b>	<b>2.3</b>	<b>2.7</b>	<b>0.3</b>
Barclays Aggregate	23.1%			7.1	5.5	6.7	6.5	5.8	1.4	1.5	0.1
Master Limited Partnerships	<b>582,377,739</b>	<b>4/1/1990</b>	<b>22.4</b>	11.9	-	-	-	<b>20.4</b>	<b>8.4</b>	<b>10.8</b>	<b>3.1</b>
Alerian MLP Index	5.6%			10.7	-	-	-	18.6	6.8	10.3	1.6
High Yield Fixed Income	<b>579,920,643</b>	<b>2/1/2009</b>	<b>3.6</b>	18.7	-	-	<b>13.7</b>	<b>12.4</b>	<b>3.4</b>	<b>5.4</b>	<b>1.5</b>
ML High Yield II	5.6%			-	-	-	-	13.1	3.1	5.2	1.2
Core Real Estate	<b>479,543,807</b>	<b>4/1/1990</b>	<b>22.4</b>	-3.5	-	-	-	<b>4.0</b>	<b>1.5</b>	<b>1.5</b>	<b>0.4</b>
NCREIF	4.6%			12.1	-	-	-	12.4	0.0	2.6	0.0
Cash	<b>4,011,625</b>	<b>4/1/1990</b>	<b>22.4</b>	-	-	-	-	-	-	-	-
91 Day T-bill	0.0%			-	-	0.8	0.1	0.1	0.0	0.0	0.0

# Equity Portfolios Summary

## As of August 31, 2012

	Market Value	Inception Date	Time Since Inception (Years)	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Last Quarter	Last Month
Hotchkis & Wiley Large Cap <i>Russell 1000 Value</i>	<b>361,167,829</b> 3.5%	<b>4/1/1990</b>	<b>22.4</b>	9.9	6.9	-1.8	11.7	17.6	3.2	7.5	3.3
				9.3	6.6	-0.9	12.1	17.3	3.2	8.4	2.2
Sawgrass <i>Russell 1000 Growth</i>	<b>364,320,424</b> 3.5%	<b>7/1/2006</b>	<b>6.2</b>	5.3	-	3.0	14.9	19.3	3.0	5.9	1.9
				5.9	-	3.7	15.6	17.4	4.1	6.9	2.7
ARI All Cap <i>Russell 3000 Value</i>	<b>320,807,418</b> 3.1%	<b>9/1/2006</b>	<b>6.0</b>	2.6	-	0.6	13.4	12.0	2.6	7.2	2.1
				3.6	-	1.5	13.8	17.0	3.5	7.6	2.5
EPOCH All Cap <i>Russell 3000 Value</i>	<b>316,041,059</b> 3.0%	<b>9/1/2006</b>	<b>6.0</b>	4.2	-	2.5	13.2	14.5	2.5	6.0	2.7
				3.6	-	1.5	13.8	17.0	3.5	7.6	2.5
NT Cap Weighted Passive <i>S&amp;P 500 Cap Weighted</i>	<b>434,174,528</b> 4.2%	<b>4/1/2012</b>	<b>0.4</b>	1.9	-	-	-	-	3.6	7.8	2.3
				-6.6	6.5	1.3	13.6	18.0	3.7	7.9	2.3
SSGA Eq Weighted Passive <i>S&amp;P 500 Equal Weighted</i>	<b>436,032,727</b> 4.2%	<b>4/1/2012</b>	<b>0.4</b>	0.7	-	-	-	-	3.2	7.2	3.0
				-	-	-0.2	17.0	-6.0	-	-5.5	-7.0
Frontier Capital <i>Russell Mid Cap Growth</i>	<b>350,271,143</b> 3.4%	<b>6/1/2002</b>	<b>10.3</b>	8.5	11.6	4.8	14.7	13.4	1.7	3.2	2.7
				7.4	10.0	2.9	16.1	11.7	3.3	5.2	3.4
Wellington Management <i>Russell Mid Cap Growth</i>	<b>288,390,061</b> 2.8%	<b>9/1/1998</b>	<b>14.0</b>	8.7	9.3	-0.1	10.8	1.4	1.1	2.2	4.6
				7.4	10.0	2.9	16.1	11.7	3.3	5.2	3.4
AJO Partners <i>Russell MidCap</i>	<b>335,894,728</b> 3.2%	<b>8/1/1998</b>	<b>14.1</b>	9.4	9.7	3.1	16.3	13.9	3.9	7.3	4.6
				7.6	8.0	2.5	15.6	13.3	3.4	6.3	3.2
Hotchkis & Wiley Mid Cap <i>Russell MidCap Value</i>	<b>362,478,576</b> 3.5%	<b>8/1/2002</b>	<b>10.1</b>	11.9	12.1	5.0	17.4	28.6	2.5	7.8	4.0
				9.6	9.5	1.8	15.1	14.8	3.5	7.3	2.9
Shapiro Capital Management <i>Russell 2000 Value</i>	<b>520,208,341</b> 5.0%	<b>2/1/1998</b>		8.8	12.5	4.0	14.7	8.0	3.4	6.6	5.3
				7.0	8.5	0.7	12.2	14.1	2.0	7.0	3.1
Causeway Capital <i>MSCI ACWI Ex US</i>	<b>398,861,079</b> 3.8%	<b>5/1/2003</b>	<b>9.3</b>	9.5	-	-2.1	6.5	4.7	4.4	11.6	2.9
				8.1	-	-4.3	2.9	0.5	3.9	11.2	2.7
Brandes <i>MSCI ACWI Ex US</i>	<b>356,859,285</b> 3.4%	<b>2/1/1996</b>	<b>16.6</b>	9.8	8.0	-4.8	0.6	1.3	3.3	11.4	3.4
				4.2	7.1	-4.3	2.9	0.5	3.9	11.2	2.7
Thornburg <i>MSCI ACWI Ex US</i>	<b>386,497,436</b> 3.7%	<b>12/1/2005</b>	<b>6.8</b>	5.3	-	-1.4	6.0	0.7	3.2	7.4	0.7
				2.0	-	-4.3	2.9	0.5	3.9	11.2	2.7
ARI Small Cap International <i>MSCI EAFE Small Cap</i>	<b>88,893,830</b> 0.9%	<b>12/1/2011</b>	<b>0.8</b>	8.9	-	-	-	-	4.8	10.2	3.7
				-3.7	-	-	-	-	-	-13.7	-11.3
Epoch Small Cap International <i>MSCI EAFE Small Cap</i>	<b>87,554,994</b> 0.8%	<b>12/1/2011</b>	<b>0.8</b>	6.3	-	-	-	-	5.5	7.7	4.3
				-3.7	-	-	-	-	-	-13.7	-11.3
Wasatch Small Cap International <i>MSCI EAFE Small Cap</i>	<b>87,651,619</b> 0.8%	<b>12/1/2011</b>	<b>0.8</b>	17.5	-	-	-	-	4.6	7.5	3.1
				-3.7	-	-	-	-	-	-13.7	-11.3
Wellington Small Cap Internationa <i>MSCI EAFE Small Cap</i>	<b>87,655,576</b> 0.8%	<b>12/1/2011</b>	<b>0.8</b>	12.4	-	-	-	-	4.0	7.9	2.8
				-3.7	-	-	-	-	-	-13.7	-11.3
Legacy Private Equity Portfolio	<b>68,215,359</b>	<b>10/1/2008</b>	<b>3.9</b>		-	-	-	-	-	-	-
Franklin Park Private Equity	<b>79,662,438</b>	<b>5/1/2011</b>	<b>1.3</b>		-	-	-	-	-	-	-
Total Private Equity %	<b>1.4%</b>										

# Fixed Income and Non-Core Portfolios Summary

## As of August 31, 2012

	Market Value	Inception Date	Time Since Inception (Years)	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Last Quarter	Last Month
Hoisington <i>Barclays Aggregate</i>	<b>305,231,652</b> 2.9%	<b>11/1/2004</b>	<b>7.8</b>	10.9 5.5	- 5.5	13.5 6.7	16.0 6.5	26.3 5.8	2.5 1.4	0.8 1.5	-1.4 0.1
Loomis Sayles <i>Barclays Aggregate</i>	<b>606,507,203</b> 5.8%	<b>8/1/1999</b>	<b>13.1</b>	7.6 6.3	8.4 5.5	10.7 6.7	11.0 6.5	10.8 5.8	2.6 1.4	3.9 1.5	0.5 0.1
Lord Abbett <i>Barclays Aggregate</i>	<b>593,563,887</b> 5.7%	<b>11/1/2004</b>	<b>7.8</b>	6.9 5.5	- 5.5	8.5 6.7	8.7 6.5	8.7 5.8	2.2 1.4	2.6 1.5	0.5 0.1
Mackay Shields <i>Barclays Aggregate</i>	<b>601,240,228</b> 5.8%	<b>11/1/2004</b>	<b>7.8</b>	7.1 5.5	- 5.5	8.9 6.7	9.6 6.5	10.4 5.8	2.8 1.4	3.5 1.5	0.7 0.1
Stephens <i>Barclays Aggregate</i>	<b>291,426,522</b> 2.8%	<b>11/1/2004</b>		5.4 5.5	- 5.5	6.3 6.7	4.6 6.5	3.7 5.8	1.2 1.4	1.2 1.5	0.2 0.1

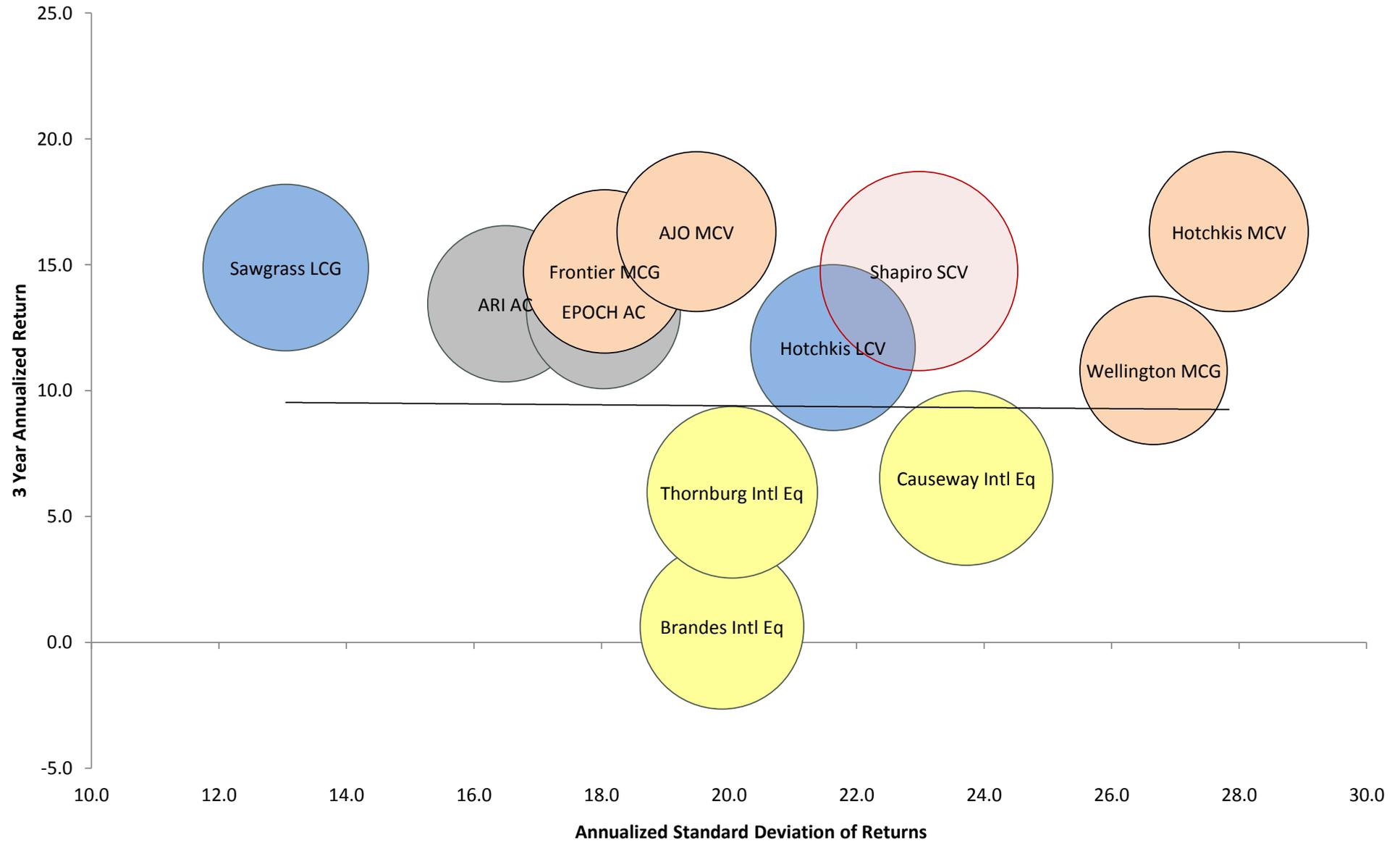
Loomis Sayles High Yield <i>Merrill Lynch High Yield II</i>	<b>193,457,211</b> 1.9%	<b>2/1/2009</b>	<b>3.6</b>	18.6 21.1	- -	- -	13.1 14.3	9.7 13.1	3.7 3.1	6.5 5.2	1.8 1.2
Lord Abbett High Yield <i>Merrill Lynch High Yield II</i>	<b>193,671,778</b> 1.9%	<b>2/1/2009</b>	<b>3.6</b>	19.5 -	- -	- -	14.8 14.3	14.0 13.1	3.6 3.1	5.1 5.2	1.6 1.2
Mackay Shields Yield <i>Merrill Lynch High Yield II</i>	<b>192,791,654</b> 1.9%	<b>2/1/2009</b>	<b>3.6</b>	17.9 -	- -	- -	13.2 14.3	13.4 13.1	3.0 3.1	4.6 5.2	1.2 1.2

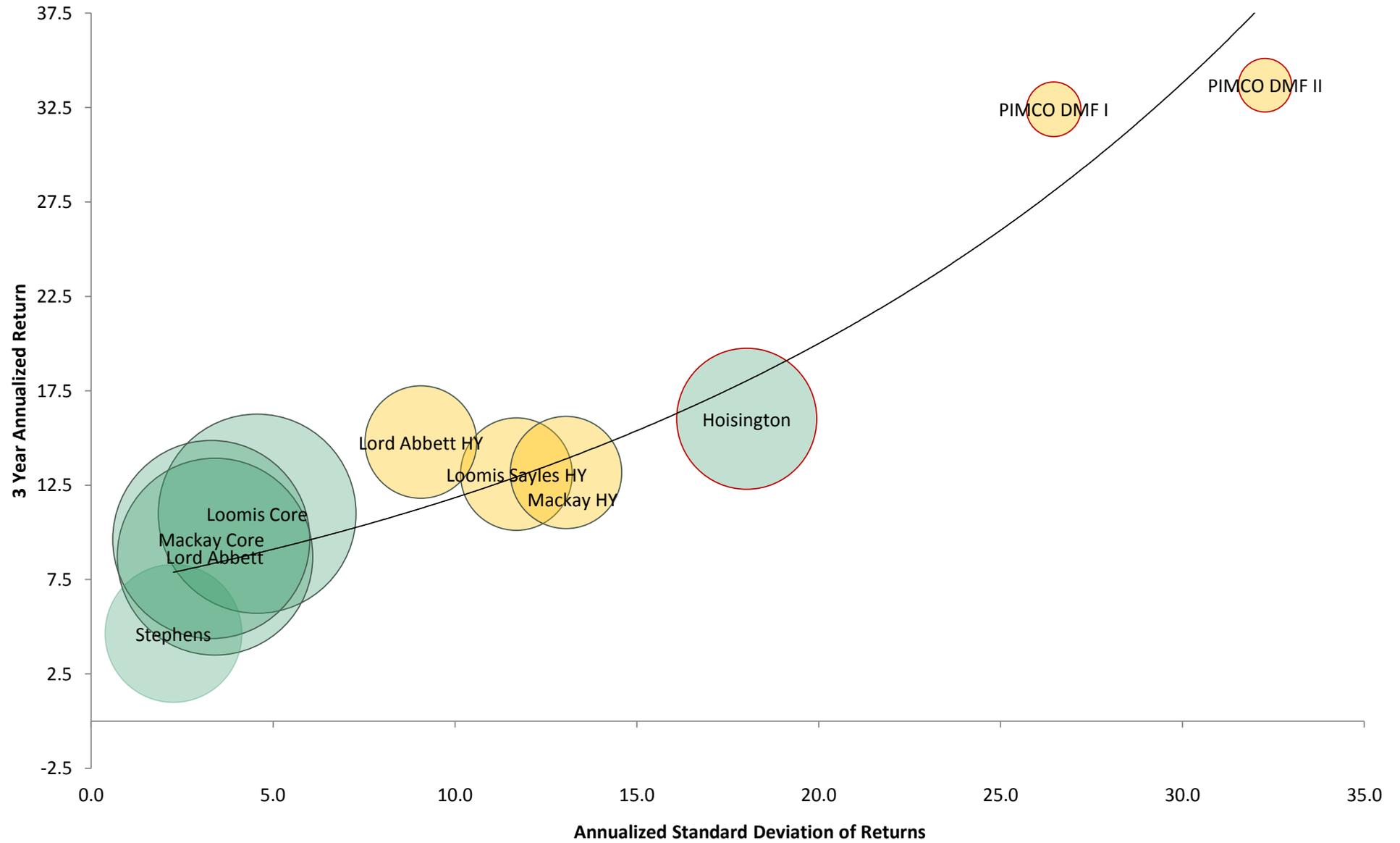
# Non-Traditional Portfolios Summary

As of August 31, 2012

	Market Value	Inception Date	Time Since Inception (Years)	Since Inception	10 Years	5 Years	3 Years	1 Year	Fiscal YTD	Last Quarter	Last Month
Legacy Private Equity Portfolio	68,215,359	10/1/2008	3.9	-	-	-	-	-	-	-	-
Franklin Park Private Equity	79,662,438	5/1/2011	1.3	-	-	-	-	-	-	-	-
Total Private Equity %	1.4%										
Chickasaw Capital MLP	159,265,819	2/28/2011	1.5	18.0	-	-	-	29.0	10.0	12.8	4.2
Alerian MLP Index	1.5%			10.7	-	-	-	18.6	6.8	10.3	1.6
FAMCO MLP	281,145,158	2/28/2011	1.5	9.1	-	-	-	17.3	7.1	10.6	2.3
Alerian MLP Index	2.7%			10.7	-	-	-	18.6	6.8	10.3	1.6
Swank MLP	141,966,762	2/28/2011	1.5	9.8	-	-	-	17.5	9.3		3.3
Alerian MLP Index	1.4%			10.7	-	-	-	18.6	6.8	10.3	1.6
AEW Real Estate	160,527,947	5/1/2011	1.3	-	-	-	-	-	-	-	-
NCREIF - OEDCE	1.5%			-	-	-	-	-	-	-	-
Heitman Real Estate	164,136,057	5/1/2011	1.3	-	-	-	-	-	-	-	-
NCREIF - OEDCE	1.6%			-	-	-	-	-	-	-	-
L&B Real Estate	154,879,803	4/1/2011	1.4	-	-	-	-	-	-	-	-
NCREIF - OEDCE	1.5%			-	-	-	-	-	-	-	-
PIMCO Distressed Mortgage I	45,755,460	5/1/2008	4.3	8.6	-	-	32.4	6.9	2.2	2.4	0.0
Barclays Aggregate	0.4%			-	5.5	6.7	6.5	5.8	1.4	1.5	0.1
PIMCO Distressed Mortgage II	44,172,099	12/1/2008	3.8	30.8	-	-	33.7	5.4	1.7	3.0	0.0
Barclays Aggregate	0.4%			5.5	6.7	6.5	5.8	1.4	1.5	0.1	
PIMCO BRAVO	90,221,173	3/31/2011	1.4	13.8	-	-	-	16.0	5.6	5.6	0.0
Barclays Aggregate	0.9%			5.5	6.7	6.5	5.8	1.4	1.5	0.1	

# Three Year Risk/Return Review - Equity Portfolios





# Manager Status Summary



Manager	% of Total Portfolio	Mandate	Status	Reason - Date of Most Recent Change (term)
<b>Brandes</b>	<b>3.4%</b>	<b>International Value Equity</b>	<b>On Notice</b>	<b>Performance - February 2012 (December 2012)</b>

All other managers currently rated **In Compliance**.

<p><b>Classification Notes:</b></p> <p><b>In Compliance:</b> The portfolio is in full compliance with its guidelines and it is performing to expectations.</p> <p><b>On Alert:</b> Concerns exist with the portfolio's performance, a change in investment characteristics, management style, ownership structure, staff or other related events.</p> <p><b>On Notice:</b> A continued and serious problem with any of the issues mentioned above. If the situation is not resolved to the Committee's satisfaction, a replacement will be selected and hired.</p>
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**Professional Involvement  
Legislative Voice • Oklahoma Values**

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**State President – Ron Brown • Director – Wayne Maxwell**

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August 30, 2012

James Wilbanks, Ph.D.  
Executive Director  
Teacher Retirement System of Oklahoma  
2500 North Lincoln Blvd.  
Oklahoma City, Ok 73105

Dear Dr. Wilbanks:

The Retired Professional Oklahoma Educators organization would like to hereby request approval by the OTRS Board of Trustees for a general membership mailing list of all retired Oklahoma educators. This request and subsequent mailing shall be conducted in compliance with the provisions of 70 OS 17-122.

We at R.P.O.E. appreciate your consideration and assistance in this matter.

Very best regards,

S. Wayne Maxwell  
Director

## **DRAFT**

### **OTRS Mission**

We collect, protect and grow assets to provide a secure retirement income for public education employees.

### **OTRS Vision – 3 Years**

- We have educated and informed clients who are confident in OTRS's ability to provide their benefits.
- Our clients have access to on-demand, accurate personal financial information.
- We are a World Class Revitalization Role Model.

### **Core Values**

*We value the following in delivering our service.*

- **Accuracy**
- **Consistency/Reliability**
- **Timely/Responsive**
- **Secure**
- **Professionalism**

*These are the values and behaviors we expect from all employees at OTRS*

- **Integrity**
- **Communication**
- **Ownership and Accountability**
- **Creative**

*These are the values and behaviors we expect from our Leadership at OTRS*

- **Role Models of OTRS Mission and Values**
- **Visionary**
- **Bravery**
- **Mentorship and Coaching**

*Teachers' Retirement System of Oklahoma  
Client Status Update Report - Finance Division  
August 31, 2012*

**Board Meeting September 26, 2012**

<i>Cash Basis</i>	August 2011	August 2012		
<i>Monthly Contributions:</i>	<u>Fiscal Year 2012</u>	<u>Fiscal Year 2013</u>	<u>\$ Change</u>	<u>% Change</u>
Member Deposits	\$18,141,724.83	\$16,059,772.50	(\$2,081,952.33)	-11.48%
Employer Contributions	16,567,671.89	21,250,558.63	4,682,886.74	28.27%
State Revenue	<u>19,206,321.28</u>	<u>21,837,348.19</u>	<u>2,631,026.91</u>	<u>13.70%</u>
Total Retirement Receipts	53,915,718.00	59,147,679.32	5,231,961.32	9.70%
 <i>Monthly Distributions:</i>				
Retirement Benefits	90,280,920.34	95,151,077.92	4,870,157.58	5.39%
Withdrawals and Death Benefits	<u>4,152,653.68</u>	<u>4,122,844.25</u>	<u>(29,809.43)</u>	<u>-0.72%</u>
Total Benefit Payments	<u>94,433,574.02</u>	<u>99,273,922.17</u>	<u>4,840,348.15</u>	<u>5.13%</u>
Net (Receipts - Payments)	<u>(\$40,517,856.02)</u>	<u>(\$40,126,242.85)</u>	<u>\$391,613.17</u>	<u>-0.97%</u>
 <i>Year to Date Contributions:</i>				
	<u>Year to Date</u> <u>Fiscal Year 2012</u>	<u>Year to Date</u> <u>Fiscal Year 2013</u>	<u>\$ Change</u>	<u>% Change</u>
Member Deposits	\$39,861,791.49	\$46,476,405.53	\$6,614,614.04	16.59%
Employer Contributions	51,288,307.19	62,570,035.64	11,281,728.45	22.00%
State Revenue	<u>46,528,542.44</u>	<u>51,170,679.36</u>	<u>4,642,136.92</u>	<u>9.98%</u>
Total Retirement Receipts	137,678,641.12	160,217,120.53	22,538,479.41	16.37%
 <i>Year to Date Distributions:</i>				
Retirement Benefits	184,428,942.73	191,644,406.32	7,215,463.59	3.91%
Withdrawals and Death Benefits	<u>9,178,035.82</u>	<u>8,204,269.47</u>	<u>(973,766.35)</u>	<u>-10.61%</u>
Total Benefit Payments	193,606,978.55	199,848,675.79	6,241,697.24	3.22%
Net (Receipts - Payments)	<u>(\$55,928,337.43)</u>	<u>(\$39,631,555.26)</u>	<u>\$16,296,782.17</u>	<u>-29.14%</u>



# OKLAHOMA TEACHERS RETIREMENT SYSTEM

Monthly Retirement Status Report - September 2012

## New Retirements

Type	Count	Benefit Total
Disability	7	\$ 8,897.46
Normal	138	\$ 217,873.23
Total	145	\$ 226,770.69

Terminated Retirements (47) (\$54,776.08)

Net Change \$171,994.61

Client #	Client Name		Estimate Ret. Date	Retirement Number	Benefit
Q0165991	CHERI	ABSHERE	9/1/2012	095818	\$1,660.13
Q0184025	CATHERINE	ADAMS	9/1/2012	095755	\$1,629.96
Q0064317	VICTORIA	ALBERT	9/1/2012	095901	\$1,044.54
Q0236400	JAWANDA	ALLS	9/1/2012	095908	\$453.47
Q0242451	CYNTHIA	APPEL	9/1/2012	095789	\$832.63
Q0062097	DONALD	ARNOLD	9/1/2012	095807	\$2,704.11
Q0070757	DURYNDA	BATCHELOR	9/1/2012	095842	\$2,320.06
Q0180858	RONALD	BEAR	9/1/2012	095802	\$1,192.89
Q0233294	LLOYD	BELCHER	9/1/2012	095781	\$1,462.62
Q0200780	NELSON	BEWLEY	9/1/2012	095841	\$729.26
Q0291518	WILLIAM	BIGGS SR	9/1/2012	095879	\$294.13
Q0125698	PAM	BILBY	9/1/2012	095812	\$1,859.73
Q0225236	SUSAN	BOONE	9/1/2012	095865	\$2,240.32
Q0145627	NANCY	BOWLING	9/1/2012	095836	\$1,844.34
Q0123731	SHARON	BRADFORD	9/1/2012	095796	\$553.21
Q0164376	LANITA	BREWER	9/1/2012	095803	\$1,868.44
Q0067142	DONNA	BRUSKI	9/1/2012	095821	\$1,218.25
Q0143205	BILLIE	BULLARD	9/1/2012	095822	\$2,025.18
Q0202848	KAREN	CAGLEY	9/1/2012	095739	\$2,717.74
Q0015121	DIANA	CAMPO	9/1/2012	095867	\$3,101.04
Q0200737	NANCY	CHANEY	9/1/2012	095804	\$3,084.64
Q0010115	SHERRY	CLEMENT	9/1/2012	095840	\$1,263.94
Q0123355	WILLIAM	COMSTOCK	9/1/2012	095871	\$1,180.92
Q0066914	REBECCA	CONNER	9/1/2012	095866	\$2,668.38
Q0250783	JOSEPH	CONNOR	9/1/2012	095912	\$665.45
Q0241216	THOMAS	CRELLY	9/1/2012	095848	\$548.73
Q0103866	DANA	CROW	9/1/2012	095881	\$899.88
Q0045196	CARLA	CRUSON	9/1/2012	095905	\$1,727.57
Q0046033	REX	DAUGHERTY JR	9/1/2012	095745	\$1,591.20
Q0089384	BARBRA	DAVIS	9/1/2012	095834	\$1,660.56
Q0063845	LINDA	DELAGARZA	9/1/2012	095847	\$830.89
Q0047130	CYNTHIA	DENNEHY	9/1/2012	095876	\$984.64
Q0121497	TERI	DOTSON	9/1/2012	095810	\$775.91
Q0281908	RALPH	DUCKWORTH	9/1/2012	095849	\$412.92
Q0277915	SHERRY	ENRICO	9/1/2012	095850	\$512.03
Q0260652	KAY	ENSIGN	9/1/2012	095806	\$1,678.61
Q0049146	DORIS	ERHART	9/1/2012	095869	\$1,553.51
Q0203621	DIANE	FARAR	9/1/2012	095826	\$2,263.85
Q0124974	JUDY	FORTH	9/1/2012	095909	\$989.04
Q0225059	DIANA	GALVAN	9/1/2012	095730	\$454.26
Q0231915	GEORGE	GIACOBBE	9/1/2012	095724	\$364.38
Q0140946	BETTY	GIBBS	9/1/2012	095859	\$620.97
Q0047868	LAFREDA	GIPSON	9/1/2012	095741	\$417.63
Q0087302	KAREN	GLENN	9/1/2012	095882	\$1,663.64
Q0162235	MIRIAM	GOODIN	9/1/2012	095910	\$326.58
Q0145721	DEBORAH	GRAY	9/1/2012	095824	\$2,477.72
Q0142962	NANCY	GRAY	9/1/2012	095844	\$793.38
Q0016584	DANIEL	HAILS III	9/1/2012	095772	\$4,242.45
Q0022348	VICTOR	HALL	9/1/2012	095878	\$3,969.54
Q0084181	JACKIE	HARPER	9/1/2012	095723	\$482.29
Q0160195	MICHAEL	HARRIS	9/1/2012	095837	\$834.06
Q0243733	SHARLA	HELTZEL	9/1/2012	095862	\$3,591.61

Client #	Client Name		Estimate Ret. Date	Retirement Number	Benefit
Q0159750	DEANNA	HIBBARD	9/1/2012	095829	\$1,555.94
Q0231113	CLOTILDE	HILL	9/1/2012	095831	\$1,697.41
Q0218286	CLAUDIA	HISLE	9/1/2012	095805	\$3,184.47
Q0062377	BARBARA	HITE	9/1/2012	095794	\$443.98
Q0140802	GARRY	IVEY	9/1/2012	095792	\$4,529.61
Q0161389	DOUGLAS	JECH	9/1/2012	095856	\$1,935.30
Q0223209	BARBARA	JOHNSON	9/1/2012	095819	\$675.79
Q0225843	JUDY	JOHNSON	9/1/2012	095846	\$157.63
Q0229472	BETTY	KETTMAN	9/1/2012	095798	\$1,788.21
Q0203625	DEBRA	KINZER	9/1/2012	095855	\$1,756.45
Q0163372	PATSY	KNIGHT	9/1/2012	095786	\$237.25
Q0006258	FRAN	LAZZARA	9/1/2012	095783	\$1,889.63
Q0180617	JANICE	LEE	9/1/2012	095877	\$1,365.08
Q0197387	BERNICE	LENOIR	9/1/2012	095586	\$1,393.38
Q0160504	MARCIA	LOCKE	9/1/2012	095788	\$323.88
Q0181428	MICHAEL	LOVEGROVE	9/1/2012	095873	\$1,327.65
Q0087374	MAUDIE	LYON	9/1/2012	095725	\$1,385.04
Q0234450	BEVERLY	MARBLE	9/1/2012	095744	\$1,553.52
Q0149301	PAULA	MAROUK	9/1/2012	095863	\$1,975.41
Q0222159	JUDITH	MARTIN	9/1/2012	095830	\$2,831.46
Q0143143	SALLY	MASENGALE	9/1/2012	095904	\$1,137.48
Q0142539	BILLIE	MATLOCK	9/1/2012	095861	\$1,319.62
Q0105465	ROBBIE	MCCARTY	9/1/2012	095546	\$2,345.93
Q0122405	MICHAEL	MCFARLAND	9/1/2012	095782	\$1,234.04
Q0099806	MIKEL	MCKINNEY	9/1/2012	095750	\$2,535.28
Q0253627	BETTY	MOBLEY	9/1/2012	095751	\$1,339.11
Q0218395	GREGORY	NICHOLS	9/1/2012	095858	\$2,348.27
Q0123610	TERESA	NOKES	9/1/2012	095835	\$886.76
Q0162053	PHILLIP	NOKES	9/1/2012	095857	\$812.72
Q0142206	HARMON	NOTTINGHAM	9/1/2012	095729	\$2,543.67
Q0225935	CATHERINE	O CONNOR	9/1/2012	095854	\$940.56
Q0233784	CAROL	OCHS	9/1/2012	095733	\$1,211.35
Q0205082	DANIEL	OHALLORAN	9/1/2012	095726	\$1,596.37
Q0086362	MARY	OWENS	9/1/2012	095752	\$933.32
Q0295340	DONALD	PAGE	9/1/2012	095800	\$218.81
Q0284121	ROBERT	PALMER	9/1/2012	095740	\$1,574.02
Q0068733	SUSAN	PASLAY	9/1/2012	095827	\$2,532.50
Q0108394	ROBERT	PEARMAN	9/1/2012	095838	\$2,944.51
Q0144383	VINITA	PENUEL	9/1/2012	095809	\$3,112.48
Q0185841	PHYLLIS	PORTER	9/1/2012	095795	\$2,387.98
Q0256913	ELIZABETH	PRITNER	9/1/2012	095801	\$1,522.75
Q0083579	HOLLY	RANSOM	9/1/2012	095845	\$525.05
Q0142298	GLENDA	RATHBONE	9/1/2012	095864	\$1,763.74
Q0069349	PATRICIA	RAYBURN	9/1/2012	095749	\$2,214.04
Q0214097	SUE	READ	9/1/2012	095808	\$2,867.98
Q0043373	PEGGY	RHODES	9/1/2012	095732	\$1,659.72
Q0288024	DON	RICHMOND	9/1/2012	095814	\$220.02
Q0050207	PAULA	RIPPETOE	9/1/2012	095499	\$2,031.28
Q0166448	JOHN	ROBISON	9/1/2012	095811	\$909.69
Q0067696	JOHNNIE	ROSEBURN JR	9/1/2012	095872	\$1,944.10
Q0234490	CHERYL	ROSS	9/1/2012	095797	\$258.59
Q0020917	MARLA	RUSS	9/1/2012	095754	\$319.90

Client #	Client Name		Estimate Ret. Date	Retirement Number	Benefit
Q0258618	RONALD	RUSS	9/1/2012	095756	\$830.99
Q0087715	DAVID	RUSSELL	9/1/2012	095722	\$211.77
Q0214924	KATHLEEN	SCHMIDT	9/1/2012	095852	\$1,818.39
Q0026366	GARY	SCHNELL	9/1/2012	095851	\$3,629.99
Q0016064	DOROTHY	SCHRADER	9/1/2012	095820	\$3,294.10
Q0225802	LINDA	SCHRODER	9/1/2012	095875	\$1,047.35
Q0127227	GLENDA	SELLERS	9/1/2012	095825	\$2,261.49
Q0064534	THOMAS	SHANNON	9/1/2012	095747	\$1,252.32
Q0143528	RONALD	SHARP	9/1/2012	095853	\$3,569.99
Q0202918	KATHRYN	SHIELDS	9/1/2012	095880	\$1,686.30
Q0202302	LARRY	SMALLWOOD	9/1/2012	095743	\$2,221.45
Q0289421	RAYMOND	SMILEY	9/1/2012	095870	\$101.83
Q0069856	CAROL	SOLOMON	9/1/2012	095793	\$1,754.55
Q0214974	MARTHA	STEGER	9/1/2012	095839	\$3,298.92
Q0162095	BARBARA	STINSON	9/1/2012	095884	\$846.81
Q0167517	DAVID	STONE	9/1/2012	095778	\$2,097.42
Q0184708	SHERRY	SURRELL	9/1/2012	095843	\$563.52
Q0104516	THOMAS	TAYLOR	9/1/2012	095874	\$936.12
Q0082696	LEE	THOMAS	9/1/2012	095742	\$1,446.08
Q0121958	ANN	THOMPSON	9/1/2012	095780	\$2,097.90
Q0180936	BETTY	TINNEY	9/1/2012	095787	\$1,134.54
Q0004223	PETER	TIRRELL	9/1/2012	095828	\$2,487.58
Q0064896	MAX	UNDERWOOD	9/1/2012	095799	\$910.43
Q0044958	VALERIE	UNDERWOOD	9/1/2012	095813	\$729.36
Q0069850	CAROL	VANDOLAH	9/1/2012	095832	\$2,143.73
Q0108286	JOHN	VARDELL	9/1/2012	095727	\$2,422.02
Q0211978	DIANA	VILLANDRY	9/1/2012	095731	\$721.03
Q0144044	BENNI	WATERS	9/1/2012	095779	\$474.00
Q0089854	DAYNA	WHEAT	9/1/2012	095860	\$2,334.96
Q0045425	KELLER	WIEDEY	9/1/2012	095734	\$2,577.50
Q0069949	GAYLA	WILSON	9/1/2012	095728	\$1,628.85
Q0162295	LAWRENCE	WILSON	9/1/2012	095900	\$2,943.12
Q0092306	HASSAN	YEKZAMAN	9/1/2012	095823	\$2,484.68
Q0243697	BARBARA	ZIMMERMAN	9/1/2012	095833	\$432.18

Normal | \$217,873.23

Client #	Client Name		Estimate Ret. Date	Retirement Number	Benefit
Q0035714	MELVEENA	BATES	9/1/2012	D095886	\$619.12
Q0212166	CYNTHIA	CAGLE	9/1/2012	D095892	\$1,865.12
Q0029851	FRANCES	CRAWLEY	9/1/2012	D095913	\$2,114.01
Q0128778	GARIANN	JACOBS	9/1/2012	D095903	\$1,418.77
Q0168378	DEBORAH	PACIN	9/1/2012	D095893	\$966.15
Q0207551	TANDALA	PARR	9/1/2012	D095888	\$833.39
Q0050654	LYLE	REAMS	9/1/2012	D095791	\$1,080.90
				<b>Disabilities</b>	<b>\$8,897.46</b>

Termination Type	Retire. #	Annuitant Name	Death Date	Termination Date	Benefit
Canceled	70538	OTRS		9/1/2012	\$335.12
Canceled	61237	OTRS		9/1/2012	\$825.31
<b>Total Canceled - 2</b>					<b>\$1,160.43</b>
Deceased	31062	PEGGY A ALLBAUGH	2/15/2012	9/1/2012	\$460.55
Deceased	34469	WINIFRED L ATCHLEY	8/14/2012	9/1/2012	\$913.06
Deceased	29426	ELEANOR M BALDWIN	8/14/2012	9/1/2012	\$608.36
Deceased	49112	BETTY L BARNES	8/12/2012	9/1/2012	\$720.24
Deceased	33966	BETTY M BOLLES	8/25/2012	9/1/2012	\$1,088.67
Deceased	36415	LORETTA W BURNETT	6/27/2012	9/1/2012	\$2,089.41
Deceased	27322	JOE COOK	8/30/2012	9/1/2012	\$300.48
Deceased	43199	VANDLE P COVALT	8/2/2012	9/1/2012	\$2,219.99
Deceased	58815	JEANNINE R CROSS	8/26/2012	9/1/2012	\$1,559.26
Deceased	36517	DOYLENE D ESTEP	7/20/2012	9/1/2012	\$1,339.92
Deceased	51122	PATRICIA J FARRIS	8/25/2012	9/1/2012	\$285.13
Deceased	D02640	JACQUELINE D FREEMAN	8/22/2012	9/1/2012	\$447.34
Deceased	56272	DAVID D FRIEND	8/29/2012	9/1/2012	\$2,191.49
Deceased	31192	SYLVIA M GAPPA	8/27/2012	9/1/2012	\$121.54
Deceased	27623	HELEN G HAGER	7/26/2012	9/1/2012	\$1,369.65
Deceased	22420	FRANCES R HENSON	8/2/2012	9/1/2012	\$1,271.82
Deceased	65309	BETTY L HICKS	3/1/2012	9/1/2012	\$406.73
Deceased	24387	ESTELLE HILL	8/31/2012	9/1/2012	\$1,306.73
Deceased	62743	CLABORN C JONES	6/30/2012	9/1/2012	\$1,099.66
Deceased	54066	PERRY I KEYSER	7/26/2012	9/1/2012	\$1,945.81
Deceased	D093697	GREG LARGE	8/27/2012	9/1/2012	\$2,232.66
Deceased	21849	LORENE L MARTIN	8/17/2012	9/1/2012	\$334.66
Deceased	D01082	RALPH C MATTHEWS	3/27/2012	9/1/2012	\$538.86
Deceased	68511	CECIL R MCCOY	8/23/2012	9/1/2012	\$561.97
Deceased	13899	BERNICE V MOWDY	8/13/2012	9/1/2012	\$1,099.05
Deceased	43299	GENE OWENS	8/31/2012	9/1/2012	\$1,042.88
Deceased	39096	PAUL A PRESTON	8/19/2012	9/1/2012	\$2,061.18
Deceased	17311	REBA M RICKARD	8/25/2012	9/1/2012	\$1,223.84
Deceased	32076	RUBY J ROLFE	6/19/2012	9/1/2012	\$3,486.19
Deceased	26562	ROBERT M SCHENANDOAH	8/28/2012	9/1/2012	\$2,020.00
Deceased	33836	HAROLD L SMITH	8/24/2012	9/1/2012	\$647.42
Deceased	28479	GEORGE F STUEVER	8/27/2012	9/1/2012	\$2,277.41
Deceased	22751	ELIZABETH STUTEVILLE	6/26/2012	9/1/2012	\$2,200.69
Deceased	52604	TROY L THORN	6/19/2012	9/1/2012	\$992.02
Deceased	16749	ELIZABETH Y TILLY	5/1/2012	9/1/2012	\$762.56
Deceased	37843	MARY J TURNER	6/21/2012	9/1/2012	\$810.08
Deceased	45289	WILLIAM L VARLEY	8/26/2012	9/1/2012	\$1,190.45
Deceased	62987	JOYCE M WADE	8/26/2012	9/1/2012	\$434.57
Deceased	27929	MARY L WEBB	8/29/2012	9/1/2012	\$1,023.81
Deceased	32891	JACK D WELSH	8/28/2012	9/1/2012	\$2,468.04
Deceased	26892	ERMA J WILKERSON	8/31/2012	9/1/2012	\$472.74
Deceased	34189	GERALDINE D WILLINGHAM	7/3/2012	9/1/2012	\$1,813.54
Deceased	6359	GERALDINE D WILLINGHAM	7/3/2012	9/1/2012	\$731.41
Deceased	D02194	JOHNETTA K WOODWARD	8/24/2012	9/1/2012	\$1,309.38
<b>Total Deceased - 44</b>					<b>\$53,481.25</b>
End of Option 4 Benefit					
	55173	MICHAEL M VASS		9/1/2012	\$134.40
<b>Total Options - 1</b>					<b>\$134.40</b>
<b>Total - 47</b>					<b>\$54,776.08</b>